

SUBJECT: Incentivizing school district contracts with charter schools

COMMITTEE: Public Education — committee substitute recommended

VOTE: 10 ayes — Huberty, Bernal, Allen, Bohac, Deshotel, Dutton, Gooden, Koop, Meyer, VanDeaver

0 nays

1 absent — K. King

WITNESSES: For — Susan Hull, Grand Prairie ISD, District-Charter Alliance; Ann Smisko, Raise Your Hand Texas; Scott Muri, Spring Branch ISD; Molly Weiner, Texas Aspires Foundation; Yasmin Bhatia, Uplift Education; Bryan Reed, YES Prep Public Schools; *(Registered, but did not testify:* Libby McCabe, Commit Partnership in Dallas; Louann Martinez, Dallas ISD; Julie Linn, District-Charter Alliance; Guy Sconzo, Fast Growth School Coalition; Priscilla Camacho, San Antonio Chamber of Commerce; Seth Rau, San Antonio ISD; Addie Gomez, Texans for Quality Public Charter Schools; Courtney Boswell, Texas Aspires; Miranda Goodsheller, Texas Association of Business; Casey McCreary, Texas Association of School Administrators; Dax Gonzalez, Texas Association of School Boards; Justin Yancy, Texas Business Leadership Council; Veronica Garcia, Texas Charter Schools Association; Mark Terry, Texas Elementary Principals and Supervisors Association; Amanda List, Texas League of Community Charter Schools; Kyle Ward, Texas PTA; Colby Nichols, Texas Rural Education Association, Texas Association of Community Schools; Dee Carney, Texas School Alliance; Christy Rome, Texas School Coalition)

Against — Mark Wiggins, Association of Texas Professional Educators; Ted Melina Raab, Texas AFT; *(Registered, but did not testify:* Portia Bosse, Texas State Teachers Association)

On — John Fitzpatrick, Educate Texas/CFT; *(Registered, but did not testify:* Steven Aleman, Disability Rights Texas; Paige Williams, Texas

Classroom Teachers Association; Kara Belew, Von Byer, Leonardo Lopez, and Heather Mauze, Texas Education Agency)

BACKGROUND: Several school districts have entered into agreements to share campuses with high-performing charter schools. Observers report that the agreements have fostered collaboration, made good use of underutilized school facilities, and boosted student achievement. They further report that funding and accountability incentives could increase the occurrence of these partnerships and benefit students in low-performing district campuses.

DIGEST: CSHB 3439 would allow a public school whose performance was rated unacceptable by the Texas Education Agency to receive additional funding and avoid certain sanctions if it partnered with a high-performing charter school. A district campus would be eligible to receive those benefits only after receiving an overall performance rating of unacceptable for the school year before operation of the district campus under a contract with a charter school began.

Contract requirements. The bill would allow an open-enrollment charter school to contract with a school district only if the school's charter had not been previously revoked and the charter school had received acceptable academic and financial accountability ratings for two of the three preceding school years.

Before entering into a contract with the charter school governing body, a district would be required to consult with campus personnel regarding the contract provisions. The district campus also would need to be granted a campus charter.

A contract would be required to address student eligibility for enrollment and provide that any student residing in the preexisting attendance zone of the district campus would be admitted. For students who did not reside in the attendance zone, the contract would be required to establish enrollment preference first for other students residing in the district and then for students residing elsewhere.

Benefits. A school district that partnered with a charter school under the bill's provisions would be entitled to receive for each student in average daily attendance an amount equivalent to the difference between the amount of funding provided to charter schools under Education Code, sec. 12.106, and the amount to which the district would be entitled under Education Code, ch. 42, if the difference resulted in increased funding.

The commissioner could not impose a sanction or take action against the campus under certain Education Code requirements for a campus turnaround plan if the district campus failed to satisfy academic performance standards during the first two school years after the partnership was established. The overall performance rating received by the campus during those first two school years would not be included in calculating consecutive school years and would not be considered a break in consecutive school years under a campus turnaround plan. After the first two school years, a district campus could receive an exemption from a sanction or other action only with approval from the commissioner.

This bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2017, and would apply beginning with the 2017-2018 school year.

NOTES:

According to the Legislative Budget Board's fiscal note, the bill would have an estimated cost of \$1.2 million beginning in fiscal 2020, \$2.6 million in fiscal 2021, and \$4.3 million in fiscal 2022. The cost estimates were based on the district campus receiving an additional \$774 per student under the bill's funding provisions. Among the assumptions for the cost projections, the Texas Education Agency estimated that a total of 14 eligible campuses would enter into contract agreements in fiscal 2020, increasing by three campuses per subsequent year.

A companion bill, SB 1882 by Menéndez, was reported favorably by the House Public Education Committee on May 8.